

**The IRS Health Coverage Tax Credit  
Health Plan Administrator Enrollment Packet**

**Facsimile Transmittal Sheet**

<b>To:</b>	<b>From:</b>
<b>Company:</b>	<b>Pages:</b>
<b>Fax:</b>	<b>Fax:</b>
<b>Phone:</b>	<b>Phone:</b>
	<b>Date:</b>

---

Dear

Thank you for your time on the phone today. If you have any questions as you follow the instructions outlined in the attached IRS Health Coverage Tax Credit (HCTC) Health Plan Administrator (HPA) Enrollment Packet, please contact me directly at the number listed above.

The enrollment process should take no more than a few hours, but it is time-sensitive – so it is important that you respond as quickly as possible. The sooner you complete the enrollment process, the sooner your company will start receiving payments directly from the U.S. Department of the Treasury for HCTC-eligible individuals.

I will contact you when I have received your completed forms. In the meantime, I am available to assist you in any way I can.

Sincerely,

15115 Park Row  
Granite Park Ten, Suite 200  
Houston, TX 77084

Dear

The IRS Health Coverage Tax Credit (HCTC) is a groundbreaking program that pays 65% of eligible health plan premiums for eligible individuals and their qualified family members. Each month, these individuals can send the HCTC Program 35% of their eligible premium; we add the remaining 65% and forward 100% of the eligible premium directly to their Health Plan Administrator, on their behalf.

You are receiving this letter because eligible individuals who have coverage with your health plan can take advantage of the advance HCTC only if you enroll to receive payments from our program. Without your participation, these individuals cannot complete their registration and may not be able to afford health coverage. By participating in the HCTC Program, you will help us ensure that the greatest number of people are able to receive this vital health coverage assistance.

The attached HCTC Health Plan Administrator Enrollment Packet provides instructions and the forms necessary for your company to receive premium payments directly from the U.S. Department of the Treasury. Please complete and fax these forms to the HCTC Program at 1-800-675-9602, to the attention of "The Systems Control Team."

Once payment arrangements are made, we will send you the IRS HCTC Health Plan Administrator Operations Guide to assist you in your ongoing involvement in the HCTC Program.

Thank you for your participation. You are taking an important step in making health coverage more affordable for the workers, retirees, and their families who are eligible for this important benefit.

Sincerely,



Keith Taylor  
Director, Health Coverage Tax Credit Program  
Internal Revenue Service

Health Coverage  
Tax Credit



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### Commonly Used Terms and Abbreviations

**ACH Form:** Automated Clearing House/Vendor Miscellaneous Payments Form

**EFT:** Electronic Funds Transfer

**GRI Form:** General Registration Information Form

**HCTC:** Health Coverage Tax Credit

**HCTC Finance & Accounting (F&A) Representative:** The HCTC contact person assigned to an HPA for payment issues

**HPA:** Health Plan Administrator

**PAID:** Payment Advice Internet Delivery

**SSN:** Social Security Number

**TIN:** Taxpayer Identification Number. Either an Employer Identification Number (EIN) or, in some rare instances, a Social Security Number (SSN).



# The Health Coverage Tax Credit Program Overview

## 1. THE HEALTH COVERAGE TAX CREDIT PROGRAM OVERVIEW

### *Purpose*

The purpose of this packet is to provide Health Plan Administrators (HPAs) with instructions, and the necessary forms to enable them to receive premium payments for individuals who are eligible for the Internal Revenue Service (IRS) Health Coverage Tax Credit (HCTC).

By completing the three easy steps detailed on pages 9-18 in a timely manner, you can avoid any potential payment issues in the future, and help your enrollees receive the HCTC assistance as soon as possible.

### *HCTC Background*

The Health Coverage Tax Credit was signed into law on August 6, 2002 as a component of the Trade Assistance Act (TAA) of 2002. The HCTC is a tax credit that pays 65% of eligible health plan premiums for eligible individuals and their qualified family members. HCTC Program participants are required to contribute the remaining 35% of the eligible premium amount. Participants may claim the tax credit in advance as the premiums become due, or on their federal tax return. Only certain health plans qualify. In order for health plans to qualify for the credit, they must meet conditions set forth by the Trade Act of 2002.

The Internal Revenue Service, an agency of the U.S. Department of the Treasury, administers the HCTC in partnership with other federal agencies, the states, and the private health care industry.

### *HCTC-Eligible Individuals*

Individuals who are potentially eligible for the HCTC include those who are eligible to receive benefits through:

- Trade Adjustment Assistance (TAA)
- Alternative Trade Adjustment Assistance (ATAA)
- The Pension Benefit Guaranty Corporation (PBGC)



# The Health Coverage Tax Credit Program Overview

## *Advance Tax Credit Option*

Eligible individuals can elect to receive advance payment of the credit on a monthly basis, or wait to claim the tax credit on their federal income tax returns. The advance tax credit allows health coverage to be more affordable and accessible for eligible individuals who may not otherwise be able to obtain health coverage.

If individuals choose to receive the credit in advance, they pay the HCTC Program 35% of their eligible monthly insurance premium. The HCTC Program adds the remaining 65% of the eligible premium amount to the participant's payment, and forwards the total premium amount to the HPA.

Additional information about the HCTC advance tax credit can be found on the IRS website: [www.irs.gov](http://www.irs.gov), IRS keyword "HCTC."

## *Health Plan Requirements*

The HCTC can only be used to cover eligible premiums for qualified health plans. Only premiums for major medical expenses are eligible for the credit.

There are four types of health coverage allowable under the TAA legislation.

**COBRA:** continuation coverage provided under the Federal Consolidated Omnibus Budget Reconciliation Act (COBRA) of 1985.

**Attention COBRA HPAs:** COBRA HPAs are required to accept payments from the HCTC Program for eligible COBRA enrollees who wish to participate in the advance tax credit program. Internal Revenue Service Regulations – see 64 Fed. Reg. 5169-5170 (3 February 1999) – require COBRA administrators to accept payments from third parties on behalf of their qualified enrollees. For legal questions specific to this portion of the COBRA regulations or obligations as a COBRA administrator, HPAs may contact their HCTC Finance & Accounting Representative.

**Individual (non-group) Health Plan:** coverage that must have been purchased at least 30 days prior to the date the individual separated from the job that led to the receipt of or qualification for TAA, ATAA, or PBGC benefits.



# The Health Coverage Tax Credit Program Overview

**Spousal Coverage:** coverage under a group plan available through the employment of an eligible individual's spouse. In order for the plan to be qualified for the HCTC Program, the spouse's employer must contribute less than 50 percent of the total cost of coverage. This type of coverage, although allowable under the HCTC legislation, cannot be claimed for the monthly advance tax credit. As a result, HPAs will not receive HCTC payments for this coverage type.

**Exceptions:** COBRA, state-based continuation coverage, or a special insurance program which is entered into by the state and an employer and is designed to qualify for the HCTC.

**State-Qualified Health Plan:** health plans the states have qualified for HCTC participants. To qualify, the coverage must meet the legislative requirements set forth in the Trade Act of 2002. The states' Departments of Insurance work with governors' offices and other designated agencies to qualify health plans for HCTC participation.

## *Advantages of state-qualified plans*

**We send the customer to you.** The HCTC Program markets state-qualified health plans to HCTC candidates who are not yet insured or who may need to change HPAs (i.e., COBRA enrollees). A list of state-qualified plans is provided on [www.irs.gov](http://www.irs.gov).

**Low customer turnover.** Since many HCTC candidates are not eligible for the automatically qualified options, their only choice is the state-qualified plan. State-qualified plans have the earliest and longest exposure to the eligible population.

HPAs are encouraged to work with the state Departments of Insurance to become a state-qualified plan for the HCTC.

Additional information about the HCTC Program and the requirements for HPAs may be found on the IRS website: [www.irs.gov](http://www.irs.gov), IRS keyword "HCTC."



# How The HCTC Program Works

## 2. HOW THE HCTC PROGRAM WORKS

The HCTC Program receives a list of all Trade Adjustment Assistance (TAA) and Alternative Trade Adjustment Assistance (ATAA) qualified individuals on a daily basis, and Pension Benefit Guaranty Corporation (PBGC) qualified individuals on a monthly basis. Individuals on these lists are potentially eligible for the HCTC.

This potentially eligible population receives program information (HCTC Program Kit, IRS Pub 4181) from the HCTC Program and can register for the HCTC by phone or mail. The individual goes through additional eligibility screening during the registration process. Once potential participants have passed this screening and submitted the required documentation, (e.g. copy of an HPA invoice, COBRA documentation such as a COBRA election letter) they are deemed HCTC-eligible for advance payment.

At this point, the HCTC Program will reach out to the HPA to enroll them to receive payments.

### *Advance Payment Process Overview*

The HCTC Program sends payments via Electronic Funds Transfers (EFTs) directly to a bank account specified by the HPA. Making electronic payments ensures timeliness and reduces the risk of payments being misdirected and/or misapplied within the HPA's organization.

### **Important Reminders about HCTC Payments**

1. Payments are made to HPAs by the Internal Revenue Service through the U.S. Department of the Treasury.
2. Payments are made per individual policy. No bulk payments are made.
3. Payments will be delivered electronically using an Automated Clearing House transaction in CCD+ format. A 30 character field addenda record contains participant and policy information.



# How The HCTC Program Works

## *A Note About Participants Who Switch from COBRA to a State-Qualified Plan*

In some cases, individuals may change HPAs while claiming the HCTC in advance. For example, individuals may be receiving HCTC in advance for COBRA benefits, but will have enrolled with a state-qualified plan because they are nearing the end of their COBRA coverage period and wish to avoid a lapse in coverage.

Participants are instructed to notify the HCTC Customer Contact Center at least 30 to 45 days in advance if they are changing HPAs. Once the participant provides a copy of the new HPA's invoice, the HCTC Customer Contact Center re-registers the participant under the new HPA.

In most instances, the HCTC Program is able to invoice the participant for the new premium amount and submit payment to the new HPA without disruption. However, the following factors can impact invoice timing:

- The HCTC Program was not notified of the HPA change. Unless notified, the HCTC Program will continue to invoice the participant under the previous HPA and the previous premium amount.
- The HCTC Program was notified of the HPA change after sending the participant an invoice for the previous HPA, for that month.
- The new HPA is not enrolled with the HCTC Program.

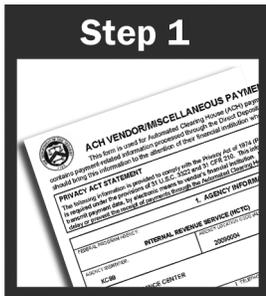


# Three Easy Steps for Enrollment

## 3. THREE EASY STEPS FOR ENROLLMENT

HPAs must enroll with the HCTC Program to receive payments from the U.S. Department of the Treasury. This can be accomplished in three simple steps.

By completing the steps outlined in the following pages, HPAs will guard against payment difficulties in the future and will provide a benefit to eligible individuals.



### *Step 1 – Sign up for Electronic Funds Transfer (EFT)*

In order to receive electronic payments for HCTC-eligible individuals, please complete the Automated Clearing House (ACH) Vendor/Miscellaneous Payment Enrollment Form and the General Registration Information (GRI) Form. (Please see forms and instructions on pp. 10-14.)

If the HPA determines that payments should be sent to multiple bank accounts or if you have any questions regarding the completion of these forms, you should contact your assigned HCTC Finance & Accounting Representative.

### **Matching Critical Information**

In order to correctly apply payments, the information provided in the forms and fields below must be identical.

ACH Form Field	GRI Form Field
<b>Payee/Company Information</b>	<b>Additional Company Information</b>
Name	Legal Name
SSN OR Taxpayer ID Number	EIN/TIN
Address	Legal Address

Form **3881**  
(September 2004)

Department of the Treasury — **Internal Revenue Service**  
**ACH VENDOR/MISCELLANEOUS PAYMENT**  
**ENROLLMENT FORM**

OMB No.  
1510-0056

(See Instructions on Page 2)

This form is used for Automated Clearing House (ACH) payments with an addendum record that contains payment-related information processed through the Direct Deposit Program. Recipients of these payments should bring this information to the attention of their financial institution when presenting this form for completion.

**PAPERWORK REDUCTION ACT NOTICE.** We ask for the information on this form to carry out the Internal Revenue laws of the United States. Your response is voluntary. You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by code section 6103. The estimated average time to complete this form is 15 minutes. If you have comments concerning the accuracy of this time estimate or suggestions for making this form simpler, we will be happy to hear from you. You can write to the Tax Products Coordinating Committee, SE:W:CAR:MP:T:T:SP, 1111 Constitution Ave. NW, Washington, DC 20224.

**PRIVACY ACT STATEMENT.** The following information is provided to comply with the Privacy Act of 1974 (P.L. 93-579). All information collected on this form is required under the provisions of 31 U.S.C. 3322 and 31 CFR 210. This information will be used by the Treasury Department to transmit payment data, by electronic means to vendor's financial institution. Failure to provide the required information may delay or prevent the receipt of payments through the Automated Clearing House Payment System.

### 1. AGENCY INFORMATION

FEDERAL PROGRAM AGENCY:

#### INTERNAL REVENUE SERVICE (HCTC)

AGENCY IDENTIFIER: <b>KC99</b>	AGENCY LOCATION CODE (ALC): <b>20090004</b>	ACH FORMAT: <b>CCD+</b>
ADDRESS: <b>BECKLEY FINANCE CENTER</b> <b>P.O. BOX 9002</b> <b>BECKLEY, WV 25802-9002</b>		
CONTACT PERSON NAME: <b>VENDOR CODE COORDINATORS</b>	TELEPHONE NUMBER: <b>(304) 256-6000</b>	FAX NUMBER: <b>(304) 256-6033</b>

### 2. PAYEE/COMPANY INFORMATION

NAME:	SSN OR TAXPAYER ID NUMBER:
ADDRESS:	
CONTACT PERSON NAME:	TELEPHONE NUMBER:

### 3. FINANCIAL INSTITUTION INFORMATION

NAME:	
ADDRESS (optional):	
CONTACT AT FINANCIAL INSTITUTION (optional):	TELEPHONE NUMBER:
NINE-DIGIT ROUTING TRANSIT NUMBER	
DEPOSITOR ACCOUNT NUMBER	
TYPE OF ACCOUNT <input type="checkbox"/> CHECKING <input type="checkbox"/> SAVINGS	
SIGNATURE AND TITLE OF AUTHORIZED OFFICIAL	TELEPHONE NUMBER:

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## Instructions for Completing Automated Clearing House (ACH) Vendor/Miscellaneous Payment Enrollment Form

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The ACH Vendor/Miscellaneous Payment Enrollment Form is a standard form used by the Internal Revenue Service to establish Automated Clearing House (ACH) payments, also referred to as Electronic Funds Transfers (EFTs).

- 1. AGENCY INFORMATION SECTION** – Contains the name and address of the Federal program agency originating the vendor/miscellaneous payment, agency identifier, agency location code, contact person name and telephone number of the agency and the ACH format.
- 2. PAYEE/COMPANY INFORMATION SECTION** – Print or type the name of the payee/company and address that will manage ACH vendor/miscellaneous payments, social security or taxpayer ID number (may also be referred to as the employer identification number), contact person and telephone number of the payee/company. Payee also verifies depositor account number and type of account entered by your financial institution in the Financial Institution Information Section.
- 3. FINANCIAL INSTITUTION INFORMATION SECTION** – Print or type the name and address of the payee/company's financial institution that will receive the ACH payment, ACH coordinator name and telephone number, nine-digit routing transit number, depositor (payee/company) account number and type of account. Signature, title, and telephone number of the appropriate financial institution official is included.

***Note:** If the designated Payee/Company contact person knows all of the requested bank information, the Payee/Company contact may complete the Financial Institution Information Section. There is no requirement for a bank official signature.*

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### Burden Estimate Statement

The estimated average burden associated with this collection of information is 15 minutes per respondent or record keeper, depending on individual circumstances. Comments concerning the accuracy of this burden estimate and suggestions for reducing this burden should be directed to the Tax Products Coordinating Committee, SE:W:CAR:MP:T:T:SP, 1111 Constitution Ave., NW, Washington, DC 20224 or the Office of Management and Budget, Paperwork Reduction Project (1510-0056), Washington, DC 20503.

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#### Fax the ACH Vendor/Miscellaneous Form to:

Internal Revenue Service  
HCTC Finance and Accounting Center  
Attn: Systems Control Team  
Fax Number: 1-800-675-9602

Form **13562**  
(September 2004)

Department of the Treasury — **Internal Revenue Service**  
**HEALTH COVERAGE TAX CREDIT (HCTC)**  
**GENERAL REGISTRATION INFORMATION FORM**  
(See Instructions on Page 2)

The HCTC General Registration Information Form is a standard form used by the HCTC Program to collect required information in addition to the U.S. Department of the Treasury's ACH Vendor/Miscellaneous Payment Enrollment Form.

( \* ) Denotes a required field

( #x. ) Indicates corresponding explanations on prior page

**\*1. ADDITIONAL COMPANY INFORMATION**

\*1a. LEGAL NAME:

\*1b. LEGAL ADDRESS:

\*1c. EIN/TIN (ASSOCIATED WITH LEGAL NAME):

1d. D-U-N-S:

1e. D-U-N-S +4:

\*1f. INVOICE REMIT TO ADDRESS:

ATTN:

1g. HPA CONTACT NAME:

1h. HPA CONTACT MAILING ADDRESS:

HPA CONTACT TELEPHONE NUMBER:

HPA CONTACT FAX NUMBER:

HPA CONTACT EMAIL:

Are you licensed to operate in any states? If so, which states?

**\*2. PAYMENT REMITTANCE ADVICE CONTACT**

NAME:

ADDRESS:

TELEPHONE NUMBER:

FAX NUMBER:

E-MAIL:

**\*3. SIGN-OFF BY AUTHORIZED OFFICIAL**

SIGNATURE:

PRINT/TYPE NAME:

DATE:

TITLE:

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## Instructions for Completing Health Coverage Tax Credit (HCTC) General Registration Information Form

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The HCTC General Registration Information Form is a standard form used by the HCTC Program to collect required information in addition to the Treasury Department's ACH Vendor/Miscellaneous Enrollment Form.

- 1. ADDITIONAL COMPANY INFORMATION SECTION** – Print or type the name and address of the enrolling company, EIN/TIN number, D-U-N-S Number (if applicable), D-U-N-S+4 (if applicable), invoice remit to address, and contact information for the HPA contact.
  - a. *Legal Name*: Must be the same as the name indicated on the Payee/Company Information field of the ACH Vendor/Miscellaneous Payment Enrollment Form.
  - b. *Legal Address*: Must be the same as the address indicated on the Payee/Company Information field of the ACH Vendor/Miscellaneous Payment Enrollment Form.
  - c. *EIN/TIN (Employer Identification Number/Taxpayer Identification Number)*: The EIN/TIN provided must be the EIN/TIN associated with the Legal Name of the business. The information provided in this field should also be the same information provided on the Automated Clearing House (ACH) Form in the "SSN or Taxpayer ID Number" field.
  - d. *D-U-N-S (Data Universal Numbering System)*: If your business has a D-U-N-S number, please provide this information. Providing a D-U-N-S Number is optional.
  - e. *D-U-N-S +4 (Data Universal Numbering System Plus 4)*: The use of D-U-N-S +4 numbers to identify vendors is limited to identifying different CCR records for the same vendor at the same physical location. For example, a vendor could have two records for themselves at the same physical location to identify two separate bank accounts. If you have questions regarding the use of D-U-N-S +4 please contact the CCR Assistance Center at 1-888-227-2423. HPAs wishing to register their subsidiaries and other entities should ensure that each additional location obtains a separate D-U-N-S number from D&B at 1-866-705-5711.  
  
If your business has determined that D-U-N-S +4 is necessary, please provide the bank account number, routing number, and remit to address associated with the D-U-N-S +4 Number. If your business has determined that more than one D-U-N-S +4 is necessary, please make a copy of this form and provide the additional D-U-N-S +4, bank account number, routing number, and remit to address. For questions regarding the use of D-U-N-S +4, please contact the CCR Assistance Center at 1-888-227-2423.
  - f. *Invoice Remit To Address*: The invoice remit to address appears on invoices and is associated with the bank account holder. If there are multiple remit to addresses, please provide those on a separate sheet.
  - g. *HPA (Health Plan Administrator) Contact Name*: The company representative whom the IRS HCTC Finance and Accounting representative should work with on HCTC related matters.
  - h. *HPA Contact Mailing Address*: The mailing address for the individual identified in field (g). The HPA Contact Mailing Address could also be the same as the Legal Address in field (b). If this is the case, please indicate as such.
- 2. PAYMENT REMITTANCE ADVICE CONTACT SECTION** – Should contain the contact information for the person who will receive the payment remittance advice. If any of the information is the same as the HPA Contact, please indicate as such.
- 3. SIGN-OFF BY AUTHORIZED OFFICIAL SECTION** – Signed by the individual who is authorized by their company to provide the information requested on the form. Print or type the name of the individual, title, and the current date.

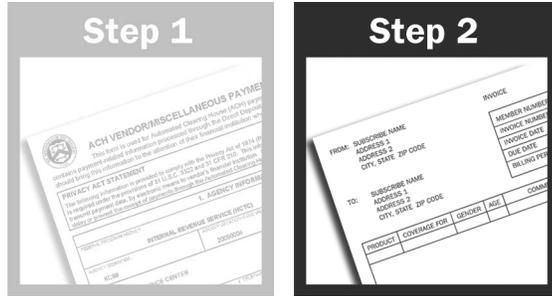
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**Fax the HCTC General Registration Information Form to:**

HCTC Finance and Accounting Center  
Attn: Systems Control Team  
Fax Number: 1-800-675-9602



# Three Easy Steps for Enrollment



## Step 2 – Provide Sample Invoice

The HCTC Program uses key enrollee data from HPA invoices to ensure that HPAs are able to correctly apply payments to individual accounts.

HPAs **MUST** provide the HCTC Program with a copy of a participant invoice, and identify the key invoice data that is necessary to apply payments.

NOTE: In order to send payments to different divisions and/or bank accounts, HPAs **MUST** provide separate invoices for each unique employer “remit to” address for EFTs.

### Key Invoice Information for COBRA and Individual (Non-State-Qualified Plan) HPAs

Individuals enrolled in COBRA or individual (non-group) health plans **MUST** provide a copy of their invoice to the HCTC Program during enrollment. If contacted by the HCTC Program, HPAs of these plans should be prepared to explain which field/location on a participant’s invoice indicates where payment should be sent.

In addition to an individual’s basic information (name, address, etc.), identifying the following key data on an HPA’s invoice to enrollees facilitates the application of payments:

- Participant Social Security Number (SSN)/policy ID number
- Employer/former employer name
- Invoice due date
- Any other identifying data



# Three Easy Steps for Enrollment

## Key Invoice Data for State-Qualified HPAs

State-qualified plans **MUST** provide a copy of the invoice(s) they send to enrolled individuals. Identifying the following key data on an HPA's invoice to enrollees facilitates the application of payments:

- HPA name, address, and telephone number
- HPA payment "remit to" address (if different than the default address above)
- Invoice due date
- Insurance product name
- Total premium and premium due date
- A premium breakout between the major medical and excepted benefits premiums
- One of the following: member ID, group ID, or policy number

Once you have completed the first two steps of the enrollment process, please use the fax cover sheet on the next page to send the completed ACH and GRI forms along with a copy of a participant invoice to the HCTC Program.



# Three Easy Steps for Enrollment

The HCTC Program  
Finance & Accounting Office  
15115 Park Row  
Granite Park Ten, Suite 200  
Houston, TX 77084

## Fax Transmission Cover Sheet

<b>To:</b>	_____	<b>From:</b>	_____
<b>Fax:</b>	1-800-675-9602	<b>Pages:</b>	_____
<b>Phone:</b>	_____	<b>Date:</b>	_____
<b>Re:</b>	HPA Enrollment Documentation	<b>CC:</b>	HCTC Systems Control Team

## Comments:

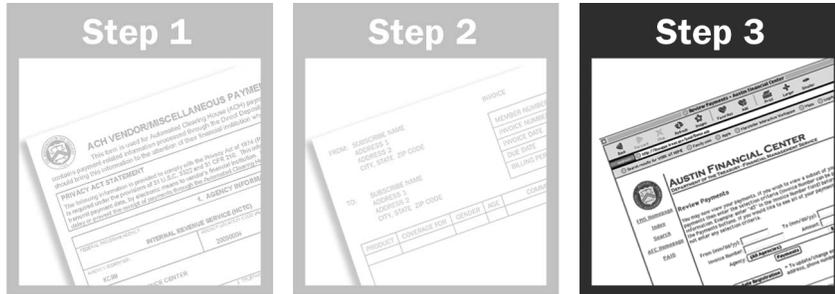
## Attached please find the following documents:

1. Completed Automated Clearing House (ACH) Vendor/Miscellaneous Payment Enrollment Form
2. Completed General Registration Information (GRI) Form
3. Sample copy of invoice sent to enrollees

This communication is intended for the sole use of the individual to whom it is addressed and may contain information that is privileged, confidential and exempt from disclosure under applicable law. If the reader of this communication is not the intended recipient or the employee or agent for delivering the communication is not the intended recipient or the employee or agent for delivering the communication to the intended recipient, you are hereby notified that any dissemination, communication, or copying of this communication may be strictly prohibited. If you have received this communication in error, please notify the sender immediately by telephone call, and return the communication at the address above via the United States Postal Service. Thank you.



# Three Easy Steps for Enrollment



## Step 3 – Sign Up for Payment Advice Internet Delivery (PAID)

### Introduction to the PAID System

HCTC payment remittance information is available to HPAs on the Internet, free of charge. The Payment Advice Internet Delivery (PAID) system was developed by the U.S. Department of the Treasury’s Financial Management Service to provide payment remittance information to users who are paid electronically through the Automated Clearing House (ACH) system. With PAID, HPAs are able to access total daily payment activity and query the PAID database by date, invoice number, or dollar amount.

When registering for the PAID system, HPAs can choose to receive the payment remittance information in one of the following ways:

- 1) Web access to remittance data
- 2) E-mail notification of new remittance data
- 3) E-mail delivery of remittance data\*

\* A single e-mail can contain up to 8,000 characters. Once this limit is reached, an additional e-mail is generated. If an HPA receives a large volume of HCTC transactions, selecting Option 3 may result in multiple e-mails.

### Advantages of the PAID System

PAID provides **immediate** electronic access to payment information. In addition, e-mail notification provides written confirmation when a payment has been posted to the HPA’s bank account within 24 hours of the date of deposit.

PAID provides payment information in a secure manner. Users access the system by using a unique log-in ID and password. Secure Sockets Layer (SSL) security (the industry-standard method for protecting web communications) is used on the PAID website, and e-mail information is 128-bit encrypted.



# Three Easy Steps for Enrollment

**Note:** With PAID, there is a reduced dependency on banks for the payment addenda record. This may save HPAs money if their banks charge them for providing this addenda information.

## **How Do HPAs Register for PAID?**

Registration takes about 10 minutes and can be completed by submitting a registration form online: <http://fms.treas.gov/paid>. Simply provide the information requested, select a notification option, and verify that the data provided is correct.

You will receive an e-mail confirmation of your registration within five business days; your PAID account is active the following day. You will then be able to log in and start receiving e-mail notification.

## **Questions About PAID**

Please e-mail your PAID questions to [HCTCPAID@irs.gov](mailto:HCTCPAID@irs.gov) or call the PAID Helpdesk at (512) 342-7222.

For more information, refer to the PAID fact sheet developed by the U.S. Department of the Treasury's Financial Management Service (FMS), which is available at <http://fms.treas.gov/paid/PAIDfaq.asp>.



# What to Expect Next

## 4. WHAT TO EXPECT NEXT

Your assigned HCTC Finance & Accounting Representative will contact you once you have submitted the requested documentation. The HCTC Representative will verify receipt of the Automated Clearing House/Vendor Miscellaneous Payments Form, the General Registration Information Form, and copy of an invoice.

The HCTC Finance & Accounting Representative is also available to assist you throughout the enrollment process.

### *The HCTC Payment Cycle*

- The HCTC Program sets the due date for all participants to eight days prior to the first of the month.
- The HCTC Program begins processing payments to an HPA six days prior to the first of the month.
- HPAs receive electronic payments from the HCTC Program on or before the first of the month.
- A paper copy of the Payment Detail Report (PDR) will be mailed within two days of the payment posted date. The HCTC Program sends the packages by USPS Priority Mail the day the payment is processed. The Payment Detail Report contains a list of individual payment transactions made by the HCTC Program to the HPA.

**Reminder:** To specify the proper recipient of the paper Payment Detail Report, provide the following information in the field 1f, "Invoice Remit to Address" on the HCTC General Registration Information (GRI) Form (p. 13):

Name of HPA  
1111 ABCD Street  
City, State Zip code  
Attn: (name of specific HPA point of contact for paper PDR)



# What to Expect Next

## Example of a Paper Payment Detail Report

IRS1		Payment Proposal List for Proposal run 09/08/2003 VENDOR		09/08/2003 / 18:01:33	
U.S.A.		Identification Code HCP Detail Listing		User: GRMART	
Company code: IRS1				Page: 1	
Vendor#/ ABC HBA 123 ANY ST NEW YORK, NY 11111-1111 US					
Customer Name	HCP Policy#	Group Number	Member Number	Health Care Invoice	Other Invoice
Total Vendor#/ Amount:					

### *Electronic Payment Detail Report*

Future HCTC Program improvements may include an electronic Payment Detail Report. Interested HPAs should contact their Finance & Accounting Representative for more information, if they have not already done so.

**Note:** If registered in PAID, HPAs may view payment information in the PAID system, or can receive e-mail notification of payment information from PAID. Payment information is available in the PAID system within 24 hours of the date of payment.



# Contact Information/ Enrollment Checklist

## 5. CONTACT INFORMATION

If you have a Health Coverage Tax Credit (HCTC) account, please call your assigned Finance & Accounting Representative.

If you are uncertain who to contact, call the HCTC Customer Contact Center and the appropriate person will return your call.

HCTC Customer Contact Center  
Toll free at 1-866-628-HCTC (1-866-628-4282)  
*TDD/TTY callers, please call 1-866-626-HCTC (1-866-626-4282).*  
Hours of operation: 7:00 am to 7:00 pm (CST), Monday through Friday

**Note:** If you wish to refer participants to the HCTC Program, please provide the HCTC Customer Contact Center number to them. HCTC Finance & Accounting Representatives are able to answer HPA inquiries only.

### *Additional resources:*

HCTC Program information: [www.irs.gov](http://www.irs.gov), IRS keyword "HCTC"

PAID e-mail inquires: [HCTCPAID@irs.gov](mailto:HCTCPAID@irs.gov)

PAID Helpdesk: (512) 342-7222

## 6. ENROLLMENT CHECKLIST

### *Mandatory*

- ✓ Determine which specific bank account(s) will receive HCTC payments based on employer type/name.
- ✓ Determine the specific "remit to" addresses used for each account.
- ✓ Determine the recipient of the Payment Detail Report (PDR).
- ✓ Complete Automated Clearing House (ACH)/Vendor Miscellaneous Payment Enrollment Form.
- ✓ Complete General Registration Information (GRI) Form.

### *Optional (But Useful)*

- ✓ Sign up for the Payment Advice Internet Delivery (PAID) system.